



For Immediate Release
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**BAUCUS WANTS BETTER INFORMATION, PROTECTIONS
FOR USERS OF MEDICARE PRESCRIPTION DRUG BENEFIT**

*Benefit works well for 4 of 5 seniors, but more can be done
to get Medicare beneficiaries the information and medicines they need*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today sharply questioned how well the Centers for Medicare and Medicaid Services are serving particularly vulnerable seniors and disabled Americans through the Medicare drug benefit. Baucus, who helped create the drug benefit in 2003, held the second in a series of Committee oversight hearings today. He said that the plan works well for four out of five seniors, but that the administration still is not doing all it can to let beneficiaries know their rights under the benefit, to make sure that low-income seniors and the disabled are assigned to plans that meet their needs, and to protect all beneficiaries from unscrupulous marketing.

“I don’t get the feeling that CMS is rigorously protecting seniors, not sufficiently scrutinizing private plans that are getting a huge bump in income here. I’m surprised that CMS is not doing more,” said Baucus. **“More needs to be done.”**

News reports this week indicate that some seniors may be falling victim to “hard sells” by plans that may not best fit their needs. Baucus questioned CMS’s Director of the Center for Beneficiary Choices about that problem, and questioned as well whether CMS ever refuses to approve plans or disqualifies them when they don’t serve seniors appropriately. Director Abby Block said that CMS has approved plans by as many as 400 sponsoring drug companies, and that while none may have been disapproved, some have been required to take corrective action for not meeting CMS requirements for serving seniors.

Baucus also questioned the fairness of allowing drug benefit plans to change their formularies – even to drop covered drugs – in the middle of a plan year, while beneficiaries are not allowed the flexibility to switch plans until the next enrollment. Block said that seniors’ covered drugs are “grandfathered” in for the plan year, but Baucus said that’s not what happens in practice.

“I encourage you to look more deeply and aggressively to find out whether this is or is not working. Pharmacists on the ground don’t think it’s working,” said Baucus. **“The basic problem is that seniors don’t know about this exception process, they don’t know they can be grandfathered in.”**

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A new Government Accountability Office (GAO) report unveiled at the hearing indicated ongoing issues with so-called “dual-eligibles,” or lower-income seniors and disabled Americans who are eligible for both Medicare and Medicaid. The drug benefit law requires that these beneficiaries be automatically enrolled in plans if they don’t choose on their own. Some states have worked hard to make sure these dually-eligible beneficiaries are placed in plans that match their medical needs, but it appears that CMS has not. Block said that when asked, CMS will work with states to improve the quality of these assignments.

“This benefit should be like a duck on a pond – gliding along smoothly on the surface, with seniors getting their benefits, and someone paddling hard underneath – and that’s you, that’s CMS, the plans,” said Baucus. **“The sense here is that CMS is being pretty passive, and we’re trying to get you to move beyond that. Our job here is to serve seniors.”**

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